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June 27, 2001

New Recordation No.

23524
JUN 27 '01 1:17 PM
SURFACE TRANSPORTATION BOARD

Dear Mr. Williams:

On behalf of Flex Leasing I, LLC, I submit for filing and recording under 49 U.S.C. § 11301 (a) and the regulations applicable thereunder, executed counterparts of a primary document, not previously recorded, entitled Memorandum of Lease ("Lease") dated as of April 18, 2001.

The parties to the enclosed Lease are:

Flex Leasing I, LLC - LESSOR
Suite 300
234 Front Street
San Francisco, CA 94111

The Indiana Rail Road Company - LESSEE
Suite 1600
101 West Ohio Street
Indianapolis, IN 46204

The said Lease, among other things, acts to lease only the equipment listed in Annex A thereto by the Lessor to the Lessee.

The equipment covered by the instant Lease is as identified in Annex A thereto, copy attached, namely 70 gondolas, MS 3001-3070.

A short summary of the Lease to appear in the Surface Transportation Board Index is as follows:

"Lease of 70 gondolas, MS 3001-3070"

ggh

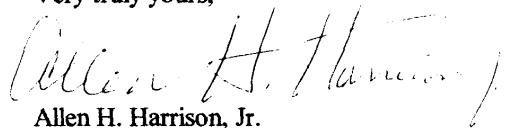
Please enter under this Recordation No. the following cross index reference:

“See Recordation No. 21888-F.”

Enclosed is a check in the amount of fifty-six dollars (\$56.00) in payment of the filing fee (\$28.00) and the cross indexing fee (\$28.00).

Once the filing has been made, please return to bearer the stamped counterpart(s) of the document not required for filing purposes, together with the letter from the Surface Transportation Board acknowledging the filing, and the two extra copies of this letter of transmittal.

Very truly yours,

A handwritten signature in cursive script, reading "Allen H. Harrison, Jr.", written in dark ink.

Allen H. Harrison, Jr.
*Attorney for Flex Leasing I, LLC,
For the purpose of this filing.*

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Enclosures

BY HAND

8212-020

ANNEX A

Description of Equipment

Seventy (70) 52', 110 ton mill gondolas, 5'6" sides, 2743 cu. ft. capacity
and 286,000 gross rail load, numbered:

MS 3001 through 3070 inclusive

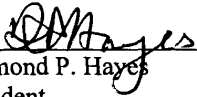
[Indiana Rail Road Company]

MEMORANDUM OF LEASE

FLEX LEASING I, LLC, a Delaware limited liability company ("Lessor"), having its chief executive office at 234 Front Street, Suite 300, San Francisco, California 94111, as successor lessor by assignment from Flex Leasing Corporation, a Delaware corporation ("Flex"), having its chief executive office at 234 Front Street, Suite 300, San Francisco, California 94111, is a party to a certain (unfiled) lease agreement dated as of January 5, 2001 (the "Lease") with **THE INDIANA RAIL ROAD COMPANY** ("Lessee"), having its chief executive office at 101 West Ohio Street, Suite 1600, Indianapolis, Indiana 46204, covering the railcars listed on Annex A attached hereto.

Dated as of April 18, 2001

FLEX LEASING I, LLC

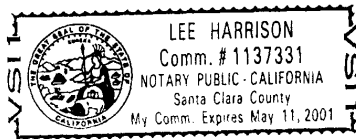

Desmond P. Hayes
President


STATE OF CA)
) ss:
COUNTY OF SF)

On this 18th day of April, 2001, personally came before me, Desmond P. Hayes, who, being by me duly sworn, says he is President of Flex Leasing I, LLC and that said writing was signed on the date hereof by him on behalf of said company by its authority duly given. And the said President acknowledged the said writing to be the act and deed of said company.

Witness my hand and notarial seal this 18th day of April, 2001.

SEAL




Notary Public
My Commission Expires: MAY 11, 2001

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[Indiana Rail Road Company]